



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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July 11, 1995

TO: Board of Oil, Gas and Mining

THRU: James W. Carter, Director 

THRU: Lowell P. Braxton, Associate Director 

FROM: D. Wayne Hedberg, Permit Supervisor

RE: Request for Board Approval, Amount and Form of Reclamation Surety, Kennecott Barneys Canyon Mining Company, Barneys Canyon Mine, M/035/009, Salt Lake County, Utah

The Division seeks Board approval of the amount and form of replacement Reclamation Surety provided by Kennecott Barneys Canyon Mining Company (KBCMC) for their Barneys Canyon Mine, located in Salt Lake County, Utah. Kennecott Corporation has undergone some recent internal corporate restructuring which has resulted in a operator name change from Kennecott Corporation to Kennecott Barneys Canyon Mining Company. In addition to the company name change, a new surety company has been selected as well. The old surety company, Safeco Insurance Company has been replaced by American Home Assurance Company. The surety amount has been escalated to 2000 year dollars and now totals \$4,604,000. The new surety company is listed in the latest Federal Register of Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies.

On October 26, 1994, the Board approved of a revised reclamation surety which was tied to a significant revision of the Barneys Canyon Mine permit. There are no new permit modifications associated with this change in operator name and surety company. Because this permitting action does not involve any changes to the approved mining and reclamation plan, we have not included copies of the previous October 1994 executive summary.

Attached for your review are copies of the following documents:

1. Summary checklist
2. Location map
3. Updated reclamation surety estimate
4. New Reclamation Contract (From MR-RC)
5. Replacement surety bond (Attachment B - MR Form 5)

Thank you for your time and consideration of this request.

jb  
Attachments  
M035009.brd

